



Pathway Lending

PUTTING SIGNIFICANT, LONG-TERM SAVINGS



WITHIN THE REACH OF COMMERCIAL, INDUSTRIAL



AND NON-PROFIT BUSINESSES

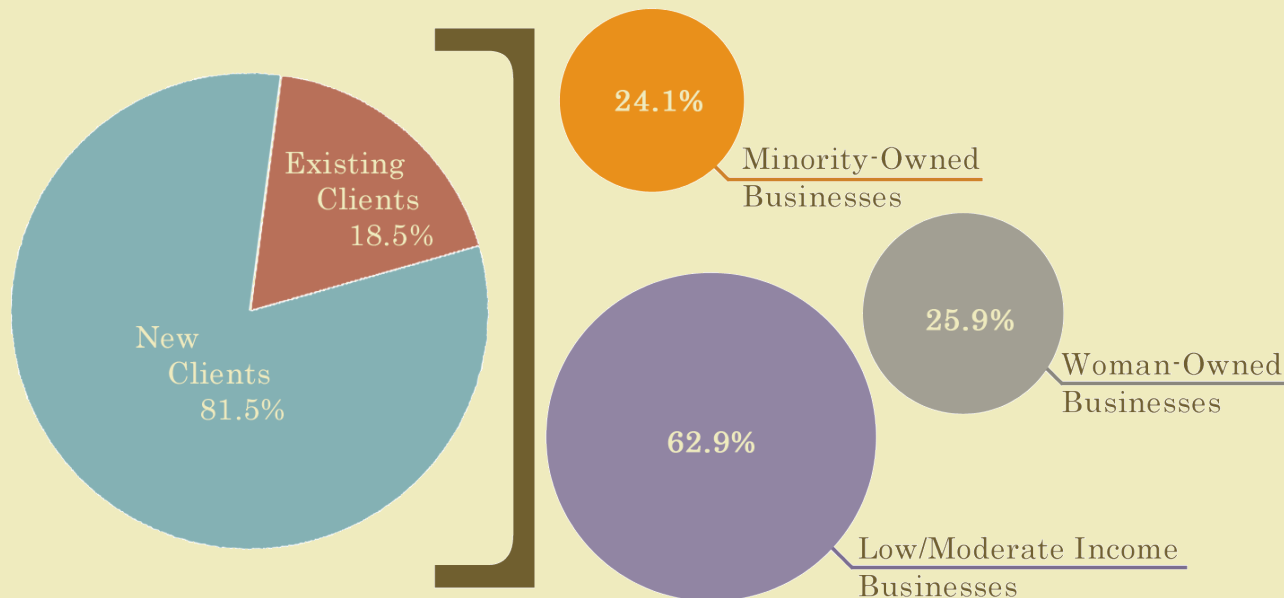


Overview:

Pathway Lending is a **Private, Non-Profit Economic Development Lender** certified by the U.S. Department of Treasury.

Founded: 1999

Mission: Providing underserved small businesses with lending solutions and educational services that result in job creation and economic development.



Energy Efficiency Loan Fund Basics:

Our Partners:



U.S. DEPARTMENT OF
ENERGY
INDUSTRIAL TECHNOLOGIES PROGRAM



Energy Efficiency Loan Fund Basics:

- **What:**

A low-interest, revolving loan fund to finance energy efficiency and renewable energy projects in Tennessee. To date we have funded over 170 projects throughout the state.

- **Why:**

Traditional financing sources often will not lend for energy efficiency projects because they are outside of the institution's knowledge base and adequate collateral is not available.



Energy Efficiency Loan Fund Markets:

- **General Markets:**

Industrial, Commercial, Private Non-Profit, and Local Government facilities located in the state of Tennessee.

- **Key Markets:**

- Private, Locally-owned Industrials
- Hotels
- Auto Dealerships
- Athletic/Community Centers (for-profit & non-profit)



Energy Efficiency Loan Fund Projects:

- **General Projects:**

Any investment in a fixed asset that provides significant reductions in energy, emissions, and/or utility consumption.

- **Common Projects:**

- Lighting
- Solar
- HVAC Replacements
- Cool Roofs
- Air Compressors



Energy Efficiency Loan Fund Terms:

- **Loan Amount:**

Range from \$20,000 - \$5,000,000

- **Program Features:**

- Below Market Rates
- 2% rate for 5 years or 5% rate for 10 years
- Up to 100% Project Financing:
 - Assessment, engineering, purchase and installation costs
- Interest-only Draw Period



Energy Efficiency Loan Fund Benefits:

- **Business:**
 - Below Market Rates
 - Get more EE projects done today
 - Working capital remains where it needs to be to finance the business
- **Vendor:**
 - Get larger projects done sooner



Success Story: Manufacturer Industrial Group

"It is like the difference between night and day, I highly recommend it. Along with the energy improvements, the new lighting also provides a better environment for employees." – Andre Gist, CEO



Energy Efficient Lighting Installation

Manufacturers Industrial Group, LLC received a complete facilities audit, which reviewed lighting, wiring, air hoses, power outlets and other areas. The lighting retrofit is forecasted to pay for itself in approximately two years.

- Total Project Cost: \$215,000
- 1st Year Energy Reduction: 671,768 kWh
- 1st Year Cost Savings: \$69,228



Success Story: Unicoi County Memorial Hospital



Lighting Upgrades

Unicoi County Memorial Hospital is a not-for-profit hospital in Erwin, Tennessee that has been operating since 1953. In April of this year the hospital used a Pathway loan to replace T-12 and incandescent lights throughout its facility with T-8s and LEDs.

- Total Project Cost: \$100,000
- TVA Energy Right Rebate: \$30,437
- Annual Energy Reduction: 391,988 kWh
- Annual Energy Cost Savings: \$43,118



Success Story: Holiday Inn



Water Heaters, Equipment, and Lighting Upgrades

Holiday Inn World's Fair Park in Knoxville, Tennessee used a Pathway Lending Energy Efficiency loan to purchase high efficiency water heaters and clothes dryers. Financing was also used to retrofit parking garage lights.

- Total Project Cost: \$343,000
- Annual Energy Reduction: 450,532 kWh
- Annual Cost Savings: \$45,053



Success Story: Ashley Furniture



Lighting

Providence Enterprises dba Ashley Furniture replaced its showroom lighting in two stores with LED and replaced metal halides and T-12 fluorescents in a distribution facility with T-8 fluorescents.

- Total Project Cost: \$79,000
- Annual Energy Reduction: 300,351 kWh
- Annual Cost Savings: \$30,035



Success Story: Albahealth



Lighting

Albahealth in Rockwood, Tennessee used a Pathway Lending Energy Efficiency loan to retrofit lighting in its 100 year old manufacturing facility. The company also used a Pathway loan to replace its air compressor system.



- Total Project Cost: \$66,000
- Annual Energy Reduction: 861,285 kWh
- Annual Cost Savings: \$68,903



Success Story: Blues City Brewery



Lighting

Blues City Brewery in Memphis, Tennessee used a Pathway Lending Energy Efficiency loan to retrofit lighting in its manufacturing and distribution facility. Metal halides in the workspace were replaced with LED and T-12 fluorescents in the office were replaced with T-8 fluorescents.



- Total Project Cost: \$1,700,000
- Annual Energy Reduction: 5,100,000 kWh
- Annual Cost Savings: \$462,000



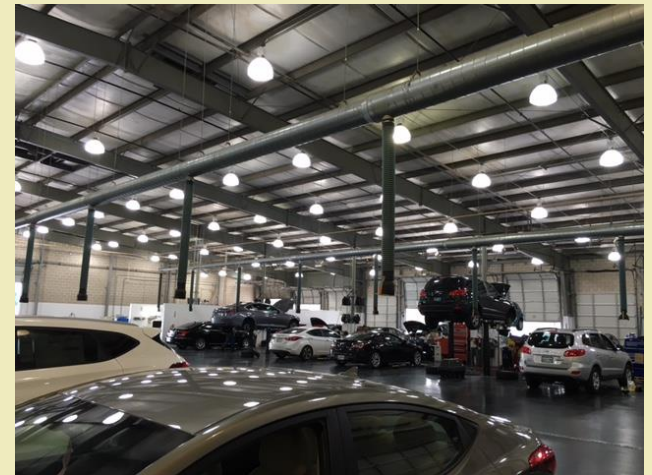
Success Story: Wolfchase Hyundai



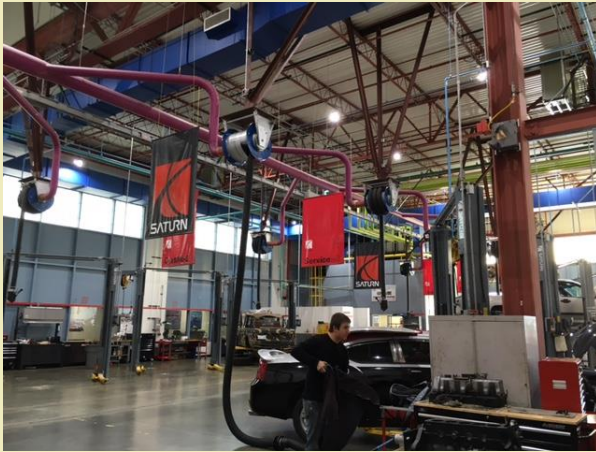
Lighting

Wolfchase Hyundai in Memphis, Tennessee used a Pathway Lending Energy Efficiency loan to retrofit its lighting. The project included changing exterior and interior lighting to more efficient LED lighting.

- Total Project Cost: \$93,251
- Annual Energy Reduction: 335,710 kWh
- Annual Cost Savings: \$33,571

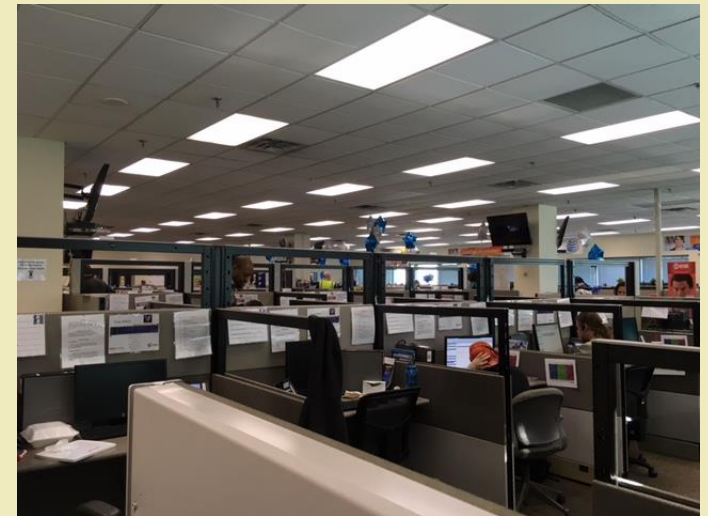


Success Story: Northfield Workforce Ctr



Lighting

The South Central TN Workforce Alliance operates the Northfield Workforce Development and Conference Center facility in Spring Hill, TN. The project was an interior and exterior lighting retrofit of its entire 320,000 SF building.



- Total Project Cost: \$391,000
- Annual Energy Reduction: 1,176,750 kWh
- Annual Cost Savings: \$117,675



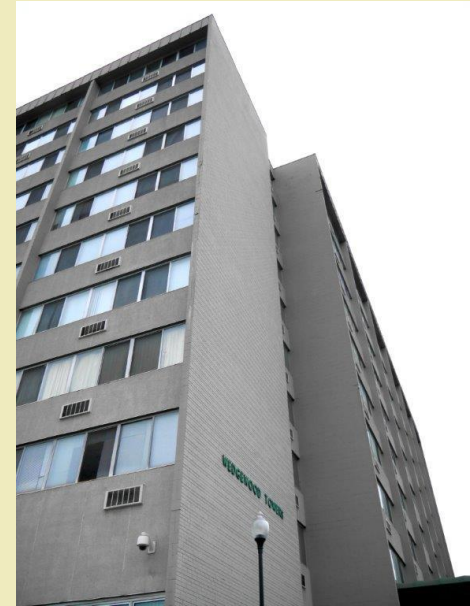
Success Story: Wedgewood Towers



HVAC

Wedgewood Towers in Nashville, Tennessee acquired a Pathway Lending Energy Efficiency loan to replace its PTAC units with a high efficiency mini-split system.

- Approximate Project Cost: \$1,500,000
- Annual Energy Reduction: 555,740 kWh
- Annual Cost Savings: \$55,574



Energy Efficiency Loan Fund Expansion:

- **Multifamily Housing:**
 - Projects to include lighting, HVAC, controls, envelope improvements
 - Flexible terms to meet cash flow requirements
- **Local Governments:**
 - Capital Outlay Notes
 - 2% interest, 6 year term
 - **HELP ME HELP YOU!**



Local Government:

- **Capital Outlay Note Process:**

- Resolution/Note Form provided to Comptroller
- Comptroller Approves
- Loan Closed
- Loan Document/Report on Debt Obligation (Form CT-0253) submitted to Comptroller's Office
- Local government will also need to submit annual budgets to Comptroller's Office



Local Government – Possible Projects:

- Schools
- Hospitals
- Jails
- City Halls
- Water Treatment Facilities



- Lighting
- Streetlighting
- Controls (lighting/HVAC)
- HVAC replacements
- VFDs/Pumps



Question & Answer



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